

General Terms and Conditions BIXOLON Europe GmbH

As at 26 August 2009

§ 1 Validity and general terms and conditions of our customers

(1) For the sale of our products and services, the following terms and conditions apply exclusively, even if we have not explicitly addressed a contradictory purchase condition on the part of the customer. Formal reference to the terms and conditions of the customer is expressly excepted.

(2) On acceptance of our products, the Terms and Conditions are accepted by the customer without reservation - even in the case of a preceding discrepancy. Exceptions must be made in writing in advance. This also applies to the lifting of this requirement for written form.

(3) Our General Terms and Conditions also apply to any business transacted in the future with the customer. The version of the General Terms and Conditions valid at the time of the contract being agreed apply in each case.

§ 2 Conclusion of contract

(1) Our quotations are subject to change and without obligation. Verbal information on prices, conditions and delivery dates are always without obligation. A contract is only formed when the order has been confirmed by us in writing.

(2) We reserve the right to raise our prices commensurately if costs increase after conclusion of the contract. We will prove this to the customer on demand.

§ 3 Serious events

Serious events, such as Acts of God, industrial action, unrest, wars or terrorist conflicts in

particular, which bring with them unforeseeable consequences for the execution of the service, release the contracted parties for the duration of the disturbance and to the extent of its effect from their service obligations, even if they are in default. An automatic termination of the contract is not linked to this. The contracted parties are obliged to inform each other of an impediment of this sort and adjust their obligations to the changed circumstances in good faith.

§ 4 Prices

Statutory value added tax is not included in our prices. It is shown separately at the legal rate on the day that the invoice is issued. Shipping costs are understood to be in addition to all prices, unless otherwise agreed.

§ 5 Payment, offset and retention

(1) The purchase price and the costs of associated services are due when the purchased item is delivered, unless an alternative payment deadline is set in the purchase contract.

(2) If payment is delayed, default interest is due from the customer at a rate 5% above the base rate of the German Federal Bank as published in the German Federal Gazette. If we can show greater losses on our part, we can claim these.

(3) If circumstances become known to us following confirmation of the contract that give cause for doubt of the creditworthiness of the customer or the customer gets into arrears with other liabilities, we are entitled to undertake delivery only on payment in advance.

(4) The customer can only set this off with legally established, undisputed counterclaims, or such claims as are recognised by us.

(5) No right of retention is available to the customer on the basis of disputed counterclaims.

(6) For deliveries and services to customers abroad it is considered explicitly agreed that all costs of prosecution for us in the case of a delay in payment by the customer, both in court and outside court, will fall to the customer.

§ 6 Publicity statements

Advertising, promotions or other public statements by the customer do not represent contractual information about the qualities of the product.

§ 7 Shipment and passing of risk

Unless otherwise stated in the confirmation of order, shipment is always agreed from Düsseldorf. The risk of accidental loss or accidental degradation passes to the purchaser on shipment of the item.

§ 8 Delivery and delivery times

- (1) Possible (delivery) dates are without obligation. If a delivery deadline has not been observed and if the customer has set an appropriate period of grace, he can withdraw from the contract on unsuccessful expiry.
- (2) The customer can only pursue claims for compensation to the extent set in § 10 of these Terms and Conditions.
- (3) Observance of our delivery obligations presupposes the timely and complete fulfilment of the customer's obligations.

§ 9 Property retention

All deliveries by us take place under retention of property. Delivered goods remain the property of Bixolon Europe GmbH (retained goods) until full payment of the purchase price. The customer may only dispose of the retained goods as part of the proper operation of their business. In the case of further disposal, the customer hereby already assigns all claims and demands arising from it in respect of its purchaser to Bixolon Europe GmbH. The assignment only applies to the sum corresponding to the price of the contracted product invoiced by us. If, in the case of disposal, only joint ownership exists on our part, then the assignment only applies to the amount that corresponds to the value of the proportion of joint ownership.

§ 10 Information and advice, Internet

All written and verbal information about the suitability of and possible applications for our goods is given to the best of our knowledge and in good conscience. The qualities are not regarded as assured. The customer must assure himself of the relevant suitability by testing. Details from our brochures and technical documents and from the Internet come with errors and technical modifications that do not reduce the overall practical value reserved. Specifications can change without notification of the customer.

§ 11 Guarantee and compensation

(1) The customer is obligated to check the quantity and quality of delivered goods immediately. Defects that emerge on inspection are to be reported immediately in writing, and at the latest within a period of four calendar days. If a defect emerges later that cannot be identified by the normal inspection methods on goods entry (concealed defect), the customer must report the concealed defect to us immediately after it comes to his attention.

(2) As far as contractual and legal claims are concerned, the goods are regarded as not having defects if the complaint is made late. This does not apply to compensation claims that are based on wilful action or that are covered by the Product Liability Act.

(3) For material or legal defects, we provide warranty by cost-free repair or replacement, at our discretion. The right to replacement is not guaranteed for insignificant defects.

(4) If, according to the law, we are unwilling or unable to repair or re-supply, or if a repair or re-supply fails, the customer is entitled at his discretion to demand withdrawal or reduction. Unless stipulated otherwise hereafter, more extensive claims by the customer are excluded.

(5) All claims under the guarantee are invalid if modifications to the delivered goods are undertaken or if the goods are processed. Excepted from the guarantee are deficiencies as a result of improper use including the use of unsuitable accessories or unsuitable consumables. Claims under the guarantee are invalid for damage caused by external influences, such as water damage or natural disasters. Damage due to transport or storage is excluded from the guarantee. The guarantee will only be honoured for products and accessories listed on the delivery note.

(6) The case for liability for compensation of loss and expenses is to be made according to the legal provisions. For all types of breach of obligation (pre-contractual, contractual and non-contractual), we are only liable for compensation for loss or expenses in cases of gross negligence and wilful intent caused by us or our agents or because of the absence of assured qualities. The compensation is limited to 50% of the amount of losses - except in cases of wilful intent. Liability under the Product Liability Act remains unaffected.

(7) Claims under the guarantee expire 24 months after delivery of the item.

§ 12 Concluding conditions

(1) Place of execution and court of jurisdiction is Düsseldorf.

(2) The law of the Federal Republic of Germany applies exclusively. The application of CISC (UN-purchase law dated 11.4.1980) is excluded.

(3) Individual agreements take precedence over these General Terms and Conditions.

(4) The two contracted parties may not exploit or communicate to third parties any business or operating secrets of the other partner that become known to them in the course of the business relationship without the approval of the party concerned, unless the business or operating secrets are widely accessible. This also applies to the period after the end of the contract.

(5) The customer is not entitled to assign claims arising from contracts concluded with us in whole or as individual rights and obligations, or to transfer to third parties in whole or in part any other rights or obligations from contracts concluded with us, without our approval. All contractual agreements must be recorded in writing.

Where BIXOLON Europe GmbH does not exercise its rights, this does not mean that it relinquishes those rights. The invalidity of individual conditions does not affect the validity of all remaining conditions in these General Terms and Conditions.